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Office of the Healthcare Advocate
STATE OF CONNECTICUT

Testimony of Victoria Veltri
Acting Healthcare Advocate & General Counsel

Before the Insurance and Real Estate Committee
In support of SB 13, SB 16 and SB 20
January 25, 2011

Good afternoon, Representative Megna, Senator Crisco, Senator Kelly, Representative Coutu, and members of the Insurance and Real Estate Committee. For the record, I am Vicki Veltri, Acting Healthcare Advocate and General Counsel with the Office Healthcare Advocate ("OHA"). OHA is an independent state agency with a three-fold mission: assuring managed care consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health insurance plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

OHA supports SB 16, AN ACT CONCERNING STANDARDS IN HEALTH CARE PROVIDER CONTRACTS. One of the most consistent problems for which providers and consumers contact our office is denial of a claim after the insurer has previously provided authorization for the service to the provider and the consumer. These denials of payment can come almost immediately after the service is delivered in reliance on the prior authorization, or much later, even up to four or five years after the service and after the insurer has paid the claim. Consumers and providers should be able to rely on prior authorization as a valid determination of medical necessity and guarantee of payment on the date of issuance. The insurer or utilization review company is in a position to determine the consumer's eligibility status on the date of review. Prior authorizations are often granted for a window of time. The eligibility for that window of time should be fixed by the insurer, e.g., two weeks, one month, etc.

In this circumstance, where a consumer is truly ineligible for services on the day that a provider who obtained prior authorization performs those services, the provider has acted appropriately in reliance on the prior authorization. SB 16 will properly require that the insurer pay the provider for the services.

OHA also supports SB 13, AN ACT CONCERNING COPYAMENTS FOR PRESCRIPTION DRUGS and SB 20, AN ACT CONCERNING EXPANDING HEALTH INSURANCE COVERAGE FOR HEARING AIDS.

Thank you for providing me the opportunity to deliver OHA's testimony today. If you have any questions concerning my testimony, please feel free to contact me at victoria.veltri@ct.gov.